GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3329
ANSWERED ON:12.05.2006
ACQUISITION OF FOREIGN BANKS BY SBI
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Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has recently acquired or purposes to acquire any foreign banks;

(b) if so, the details thereof;

(c) the countries where SBI is functioning at present;

(d) whether its foreign based branches are earning any profits;

(e) if so, the details thereof;

(f) whether the SBI brings back the profit margins earned from its foreign operations; and

(g) if not, the works for which these profit margins are utilized?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) State Bank of India (SBI) has acquired majority equity stake in Indian Ocean International Bank Ltd., Mauritius in April, 2005 and executed transaction documents for acquiring majority stake in Giro Commercial Bank Ltd. Kenya and PT Bank Indo Monex, Indonesia.

(c) SBI is currently functioning in 30 countries i.e USA, Canada, Bahamas, Germany, France, UK, Italy, Belgium, China, Japan, Singapore, Philippines, Bangladesh, Sri Lanka, Maldives, Bhutan, Nepal, Mauritius, South Africa, Angola, Egypt, Nigeria, Bahrain, Oman, UAE, Qatar, Iran, Turkey, Russia and Australia.

(d) & (e) Yes, Sir. During the financial year 2004-05, foreign branches of SBI earned a net profit of USD 46.51 Million.

(f) & (g) Accumulated profits from foreign operations of SBI are retained overseas to support the activities of its foreign offices, including meeting their capital requirements.